Testimony of Mark Henderson, President, Nu-Wool Co., Inc. June 13, 2007 2472 Port Sheldon St., Jenison, MI 49418, 616-669-0100, www.nuwool.com

Nu-Wool Co., Inc. is the oldest cellulose insulation manufacturer in the country – we have been in business since 1949. We operate a 90,000 square foot manufacturing facility in Jenison, MI (Grand Rapids suburb) and have 70 employees.

Nu-Wool Cellulose Insulation is green. It's made from recycled newspapers - over 150 tons per day that would otherwise end up in landfills. Our insulation is installed in houses, condominiums, apartments, hotels, medical facilities, schools, churches, office and other buildings.

Our products, indeed our business, delivers energy savings to home owners and building owners in Michigan and over 20 other states in the Midwest, South and Northeast.

In short, Nu-Wool is all about energy efficiency.

It would be logical to assume Nu-Wool would support higher energy efficiency requirements in building codes, and in particular the International Energy Conservation Code (IECC).

Unfortunately, development of building codes is not a perfect process, and the IECC is no exception. Special interests, lack of economic justification for change, and little regard for the cost and choices available to the consumer are just 3 examples of problems with the IECC development process. We can give you detail on any of these issues if you like, but the point is that the IECC has major flaws with significant negative impacts.

One code change in particular in the 2004 Supplement to the IECC has the potential to put companies like mine out of business, a change orchestrated by the fiberglass insulation industry to favor fiberglass over cellulose and foam. This gross injustice was corrected in the 2006 IECC, but only after a monumental effort that included cellulose and foam insulation companies, the National Association of Home Builders, and many others. Codes should not be used to advance the sale of one product over a competing product. Likewise, the code development process should not be manipulated by special interests.

A key ingredient in the development of any energy code is an analysis of the cost effectiveness of the proposed changes. Too many members of the IECC Committee appear to approach codes changes from the perspective that if a change saves energy, it doesn't matter what the cost is. They seem to ignore the cost to the consumer and limitation of choices. The result is that many consumers are priced out of the market place, and only certain companies benefit.

We urge you and your colleagues to approach energy code changes in a balanced and thoughtful manner. Our State needs to encourage all citizens to be responsible in energy consumption, and energy codes are a piece of that puzzle. By working with all interested parties, including manufacturers and home builders, I am confident the State of Michigan can make responsible and fair improvements to its energy code.